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December 16, 2005

VIA E-mail: heuerj@michigan.gov
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VIA US Mail
Ms. Janice Lee Heuer, Environmental Engineer
MDEQ-Water Bureau
120 W. Chapin
Cadillac, Michigan 49601-2158

Re: Consent Order No. 31-07-02
SECTION IV - ODOR CONTROL WORK PLAN
WILLIAMSBURG RECEIVING & STORAGE
ISE Project # 02061-59E

Dear Janice:

Thank you for your call and discussion prior to your issuance of the November 22, 2005 response to the October 20, 2005 Odor Control Work Plan (OCWP). The October OCWP was submitted to Mr. Rusz in accordance with the reporting and work plan submittal requirements of the referenced Administrative Consent Order (ACO). I understand from page 3 of your November 22nd letter of "concerns and comments" that MDEQ requires revision of the OCWP submitted. Your suggestion for a meeting to discuss this matter has been beneficial. I believe much was gained from guidance provided by MDEQ staff at our meeting on December 13th.

RESPONSE TO THE DEQ'S SPECIFIC COMMENTS ON THE OCWP

Comment 1. Use of Biofilters for Tank Vent and Hydroseive Odor Sources
Activated Carbon (AC) adsorption technology will be utilized for odor control for tank vents and hydroseive pump chamber. Housekeeping and maintenance plan elements of the submitted OCWP will be included as appropriate elements to be used in combination with the AC adsorbers. Tote, equipment and waste storage areas will similarly be maintained for hygiene and odor control. If practical, enclosures will be constructed where needed and ventilation fans from both buildings will be shrouded or equipped to accommodate routing of odorous airborne elements to appropriate control equipment. Masking agent appliances that have been employed for some time will continue in operation.

ISE has been acting as broker between Cherry Blossom, LLC (CBLLC) and used emission control equipment vendors to secure the requisite AC contactors for this objective. Purchase negotiations are underway and ISE has supplied equipment specifications and serial numbers for a bill of sale on December 12th. On December 19th, ISE will be meeting with equipment vendors and will endeavor to secure a sales/option agreement as a demonstration of CBLLC's efforts. It is expected that receipt of AC adsorbers may occur before year's end.

CBLLC staff are fabricating enclosures for the hydroseive chambers to facilitate odor control and routing of vapors to the AC adsorber equipment selected. These proposed measures are intended to be fully responsive to comments offered to the proposed controls for EFE and Tank Venting Sources in the OCWP. Full or conditioned approval of the above modification to the OCWP is now believed appropriate in concert with Article II of the ACO.

Comment 3. Pond Source Odor Control Work Plans
To avoid concerns for Part 55 Rule 901 violations and to address concerns expressed by neighbors, the proposed aeration of Pond waters for BOD reduction is withdrawn. It is well understood that oxygen transfer using air is a relatively inefficient process (1 % to 5% by volume, estimated) and that a sustainable Pond cover cannot be employed while aeration is on-going. If a cover could be devised, it is not believed possible to configure emission controls for the substantial volumes of air proposed for rapid enhancement of Pond water dissolved oxygen levels needed to address the BOD demand.

Comment 4. Pond Source Odor Control Work Plans
Pond waters will be hauled and disposed of in accordance with Part 121 of NREPA. Today, the first 10,000 gallons of wastewater was transported off-site to Northern A-1 in Kalkaska County in accordance with Part 121.

On December 14th, ISE met with the operator of the Traverse City (TC) Regional Wastewater Treatment Plant (WWTP) to discuss logistics leading to acceptance of CBLLC's wastewater at their WWTP. Supplemental waste characterization and transport equalization requirements were identified and the status change of the WWTP's facility identification number was discussed. On December 15th, ISE worked to assist K. Ross Childs, Director of the Grand Traverse County Department of Public Works to assist with processing of the identification status change. Telephone discussion with MDEQ Waste and Hazardous Materials Division (WHMD) Site ID Program Unit Staff confirmed that the TC WWTP status changed to include it as a "designated facility" in accordance with Part 121 at approximately 15:00 on December 15th. Pursuit of service agreement with the TC WWTP is on-going.

Wastewater characterization data has also been provided to the Reed City WWTP (former recipient of plant wastewaters) and to the operator of a permitted Class I Underground Injection Control (UIC) well (Northeastern Exploration, Inc.) in Montmorency County. Formal notice of acceptance of wastewaters at these sites has not been received as of this writing. It is understood that the Reed City WWTP operator will recommend approval of CBLLC's petition to deliver Part 121 wastewater. The Reed City Council takes up the matter at their regular meeting on Monday, December 19th. CBLLC has petitioned the RC WWTP operator for a service agreement in advance of the anticipated approval by the City Council. CBLLC expects to receive approval to transport to the UIC facility in the near future.

Given the current Pond volume estimate of 4.1 million gallons, it will take approximately 420 transports to remove the Pond water to a permitted facility. Based upon current revenue capacity of the CBLLC plant, estimated cost per transport (current fuel prices), the cost of Pond water removal may range from $120,000 to $205,000. Details regarding this element of the OCWP are provided in the table below.

$ / gal	Loads per Week	Weeks to Empty	Est. Cost
0.03	16.7	30	$123,000
0.04	14.3	36	$143,500
0.05	12.5	43	$164,000
0.06	11.1	51	$184,500
0.07	10.0	59	$205,000

CBLLC recognizes the urgency of Pond water reduction efforts. CBLLC will continue its efforts to identify new designated facilities willing to accept plant waste waters in an on-going effort to reduce costs and increase weekly volumes removed from the site. CBLLC will also endeavor to reduce operating costs elsewhere within its operations to redirect finances toward further wastewater reduction efforts. Based upon today's estimated average cost for wastewater transport and disposal and the expressed projected capacities of the Reed City and TC WWTPs and the UIC facility, it is anticipated that the Pond could be emptied solely by off-site transport and disposal within nine (9) to ten (10) months. The Pond would remain covered throughout this duration to control odors.

Initial loading at WWTPs will be limited so that the biological consortia present in existing WWTP liquors are not stressed by exogenous organisms and nutrient deficiencies that may be present in the plant wastewaters. It is expected that for the first several weeks of transport to WWTP designated facilities, volume transported may only be half of maximum allowable. The maximum allowable is understood to be approximately 20,000 gallons per day at the TC and Reed City facilities.

Additional Pond Water Reduction Efforts Proposed
Though not desirable from the perspective of maximizing odor control or assuring public sensitivities are adequately addressed by CBLLC efforts, CBLLC nonetheless proposes to also employ or reserve the contingent Pond volume reduction operation of dilution and spray irrigation as approved by MDEQ in their June 27, 2005 letter. This letter provided conditional approval of the June 17, 2005 Pond Irrigation Plan prepared by ISE and submitted to MDEQ.

If executed in accordance with MDEQ's qualifying approval letter of June 27th, an additional 10,000 gallons per day of Pond water reduction may be realized. This could result in an estimated two (2) month reduction of the time required to empty the Pond. In addition, the controlled and responsible exercise of this option can provide interim Pond water reduction in the event that upsets occur at either of the currently identified designated WWTP facilities. Should WWTP process upsets render either location identified above unavailable, Pond water reduction may continue. Pretreatment of Pond water for BOD reduction or solids removal would be undertaken if needed prior to dilution and discharge. Any aeration activities that may be needed for BOD reduction would be undertaken with AC adsorber emission controls

It is believe this OCWP revision appropriately addresses the comments and concerns identified in your November 22, 2005 response and in our meeting December 13th. Please call me if you have any further questions or comments. I look forward to speaking with you and of your approval/qualified approval of this revised OCWP.

Respectfully submitted,
INLAND SEAS ENGINEERING, INC.

Andrew Smits, P.E.

cc. Mr. Christopher Hubbell- WRS
Joseph E. Quandt, Esq.- ZKDBT&Q
Mr. Richard Rusz- MDEQ-Lansing
Mr. Michael Stifler, PE- MDEQ-Cadillac
Ms. Sy Paulik- MDEQ-Cadillac
Mr. Barry Selden- MDEQ-Lansing